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ABSTRACT

Guidelines adopted by the State Board for Higher Education concerning private foundations at Maryland public colleges and universities are reviewed, along with an assessment of institutional efforts to comply with the guidelines. The primary purposes of these foundations are to generate, manage, and distribute funds to the institution to support activities for which resources are not available from regular institutional funds. Activities of the 33 foundations in Maryland include fund raising, alumni activities, and distribution of scholarships for athletic and/or academic purposes. Each institutional governing board is advised to specify the relationship of the foundation and the institution in regard to the use of the institution's name, facilities, personnel, and other resources. Information is provided on assets of the 33 existing foundations as of June 30, 1982, and brief descriptions of each foundation are included. Appended materials include examples of policies adopted by governing boards, the title of the staff member designated as responsible for monitoring compliance with guidelines for each foundation, information on state employees providing service to foundations and receiving/not receiving remuneration from foundations. (SW)

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Foundations Associated with

Maryland Public Universities and Colleges

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POSTSECONDARY EDUCATION RESEARCH REPORTS

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FOUNDATION STUDY

September 1983

State of Maryland

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INTRODUCTION

Over the past several years, the General Assembly has expressed concern about the relationships between public institutions of higher education and their respective private foundations. At the request of the Joint Budget and Audit Committee of the Maryland General Assembly in 1978, the State Board for Higher Education created a task force to study the foundations. As a result of that study, the SBHE adopted a set of guidelines that it recommended be followed by public higher education institutions in their relationships with foundations.

In 1983, the Report of the Joint Chairmen of the Senate Budget and Taxation Committee and the House Appropriations Committee requested that the SBHE again review the relationship between each public university or college and its related foundations. Specifically, it was requested that compliance with SBHE guidelines be reviewed and that state employees providing services to foundations during FY 1982 be identified. To comply with this request the SBHE conducted a survey of the public universities and colleges. The survey instrument used is attached as Appendix A. This report presents the results of that survey.

The report consists of three sections:

(1) A brief discussion of foundations at Maryland public universities and colleges.

(2) A review of the guidelines adopted by SBHE and an assessment of institutional efforts at compliance.

(3) A discussion of state employees service to foundations.

Foundations Associated with
Maryland Public Universities and Colleges

The primary purpose of the foundations associated with Maryland public universities and colleges is to support and enhance the institutions. Foundations accomplish this purpose by generating, managing, and distributing funds to the institution in support of activities for which resources are not available from regular institutional funds. While it is true that funds to enhance the quality of an institution could be contributed directly to the institution, fund-raisers have discovered that the existence of a foundation enhances the institution's ability to obtain gifts and grants from potential donors for a number of reasons. First, funds contributed to a foundation are more likely to supplement rather than supplant state appropriations. Second, funds contributed for a specific purpose are not comingled with general institutional funds and used for purposes not specified. Third, contributions to foundations can be expended more readily because fewer approvals are required than for institutional funds. Finally, funds contributed to the foundation are managed and invested by the foundation, allowing earnings to be retained by the foundation for use on behalf of the institution.

There are 33 foundations associated with Maryland public colleges and universities with assets ranging from less than $1,000 at some community colleges to more than $11,000,000 at the University of Maryland (see Table 1). Obviously, there are substantial differences in the activities undertaken by the various foundations. The primary activities of the Maryland foundations are fund-raising, alumni activities, and distribution of scholarships for athletic and/or academic purposes. However, many additional activities have been undertaken by one or more foundations including the following:

(1) maintenance of facilities, clubs, and other services to alumni, faculty/staff, students, and/or special groups such as Booster Clubs;

(2) sponsorship of literary/art collections, displays, presentations, and lectures;

(3) provision of supplementary funds to the institution for the purposes of faculty chairs, sabbaticals, endowments, instructional/research materials and equipment, public relations, real estate/buildings, and special activities for the general support of the institutions;

(4) provision of community and public services involving clinics, facilities, and technical assistance;

(5) administration of projects, grants, and/or contracts that are either federally or privately sponsored and not within the scope or context of the institution; and,

(6) provision of and/or support for short courses, seminars, workshops, and conferences (sometimes for continuing education credit awarded by professional organizations), usually in conjunction with the institution, outside organizations, or institutions from other states.

While most of the existing foundations perform only a few of these activities, most have the ability to undertake new activities fairly readily in response to changing institutional needs. Appendix B contains a brief description of each foundation associated with a public college or university in Maryland.

Guidelines Governing the Relationships Between
Public Colleges and Universities and Foundations

When the General Assembly raised its concerns about foundations in 1978, the central issue was the lack of uniform guidelines governing the operations an activities of foundations. Virtually all the specific concerns about financial management, unclear purposes, relationships with institutions, dual employment, use of institutional facilities or name were the result of the lack of an overall understanding of the role of foundations and the need for clarification of the appropriate relationships between public institutions and foundations. The ability to require standards of conduct for foundations is limited because they are private corporations which do not receive state appropriations and therefore are not subject to state controls. However, the Attorney General's opinion solicited for the 1979 report stated that the governing boards of institutions have the authority to control the activities and relationships of the institutions to their foundations.

As a result of the 1979 report, the SBHE adopted a set of suggested guidelines for governing boards to use in regulating the relationship between institutions and their foundations. It was the opinion of the Attorney General's office that the recommendations have no legal standing and the governing boards were not compelled to comply. However, the guidelines outlined below have in fact been used by the governing boards as a framework for regulating institutional/foundation relationships.

SBHE Foundation Guidelines

The following recommendations for institutional relationships with foundations are suggested to the governing boards of the public two- and four-year postsecondary institutions. While each governing board may have a general policy encouraging and supporting the establishment and development of private foundations for the purpose of institutional enhancement, it is the opinion of this Board that specific policies and regulations should be adopted by Governing Boards which spell out the relationship of the foundation and the institution vis a vis the use of the institution's name, facilities, personnel, and other resources. In addition, the guidelines should ensure unity of purpose, responsiveness to institutional needs, common goals, and the avoidance of conflict with the institution's role and mission.

1. Each governing board should establish specific guidelines for its institutions concerning the relationship between the institutions and any foundations which have been created to further the institutions. The following is a recommended set of guidelines for the governing board to adopt.

(a) No institution should accept any funds from its foundation(s) unless an annual audit of the foundation's fiscal affairs has been conducted by an independent certified public accountant which provides sufficient detail to allow the institution and governing boards to ascertain the purposes of expenditures including the assurance that funds are accounted for and .sed in accordance with donor instructions. In addition, the audit report should contain a management letter which specifically addresses the operating procedures of the foundation and recommends any corrective actions necessary to ensure fiscal propriety and efficiency.

(b) No institution should accept any funds from its foundation(s) unless the foundation provides the institution with a detailed annual report of expenditures made to or on behalf of institutional employees which has been verified by the Foundation's independent audit.

(c) No institution should accept any funds from its foundation(s) unless it utilizes generally accepted accounting principles and practices; these need not be those employed by the institution.

(d) Institutions should encourage foundations with which they are associated to use the same fiscal year as the institution.

(e) An annual report stating major activities, officers and employees of the foundation should be on file with the governing board and be available to the general public and other interested parties upon request.

2. Since the basic purpose of a foundation is the enhancement of the institution, a foundation should be able to engage in any activity considered legitimate to a private corporation which does not conflict with State/Federal laws, its articles of incorporation, any applicable donor instructions, or the role/mission of the institution. It is expected that the Governing Board and the institution will continually monitor their relationship with their foundation to ensure compliance with the above limitations.

3. The Governing Board should develop and adopt specific regulations which which deal with the relationship between the Governing Board, the institution and the foundation(s). In addition, these regulations should be further supported by written agreements which may be necessary to clearly delineate the structure of the relationships as well as stress the separate identities of institution and the foundation. These regulations and/or agreements should deal with the segmental and/or institutional procedures for acceptance of contributions from the foundations, the use and reimbursement by the foundation of institutional facilities, resources, and personnel, and the dual or supplemental employment of institutional employees by the foundation.

4. The Governing Boards should ensure that all additional costs incurred by an institution as a result of providing a service, resource, or facility to the foundation be properly reimbursed by the foundation.

5. To avoid possible confusion/misrepresentation to the general public, the Governing Board and the institution should ensure that all correspondence, solicitations, activities and advertisements concerning the foundation should be readily identified as being from the foundation.

6. The Governing Boards should ensure that the institution does not use foundation funds for the purpose of circumventing State policies or rules and regulations by engaging in activities or making expenditures which have been denied the institution for other than purely financial reasons.

7. In addition to the above recommendations, the Governing Boards and institutions should adopt any other regulations, policies, or guidelines necessary to guarantee the foundation's responsiveness to institutional goals, objectives, role, mission, and needs.

8. A copy of the regulations promulgated by each Governing Board and a listing of all associated foundations shall be supplied to the SBHE along with changes as they are adopted in the future.

In addition to the above recommendations, the State Board for Higher Education's statute gives it the authority to regulate all postsecondary education in Maryland. Therefore, it is illegal for a foundation to offer postsecondary degree programs, courses for credit, non-credit courses, seminars or similar instruction without the approval of the State Board for Higher Education.

The University of Maryland Board of Regents, the Board of Trustees of the State Universities and Colleges, the Morgan State University Board of Regents and the Board of Trustees of St. Mary's College of Maryland have evaluated the relationship between their institutions and foundations and each governing board has adopted a set of guideline policies which regulate these relationships. A copy of the guidelines adopted by each governing board is attached in Appendix C The SBHE has reviewed each of these policies and determined that they are consistent with the guidelines recommended by SBHE.

As additional evidence of efforts to regulate the relationship between the foundations and the public colleges and universities, institutions were asked to identify the persons responsible for monitoring compliance with the policies and to specify the frequency of financial audit. Without exception, the public universities and four-year colleges identified one or more individuals or positions responsible for monitoring compliance with policies. A list of these individuals is contained in Appendix D. All of these institutions indicated that audits are now being performed annually and in most instances the FY 1982 audits have been completed. Because the Morgan State University Foundation, Inc. is inactive at this time, an audit has not been performed since September, 1981 when Coopers and Lybrand and Linwood Jennings PA, CPA's auditted the Foundation.

The State Board for Community Colleges has adopted a set of guideline policies regulating the relationships between foundations and community colleges. The guidelines are consistent with those proposed by SBHE. Many of the local community college boards also have adopted guidelines concerning foundations. The status of guidelines for each community college is found in Appendix E. The Executive Director of the State Board for Community Colleges has written to the Presidents of those community colleges whose local boards have not yet adopted guidelines requesting that they do so as soon as feasible. For FY 1982, all but two of the functioning foundations at the Community Colleges were audited. The SBCC staff has reached an agreement with all the community colleges that annual audits of foundation funds will be performed.

State Employees Providing Service to Foundation

The report of the Joint Chairmen specifically requested that this report should include "... the number of State employees receiving renumeration from or providing services to related foundations during FY 1982. The survey also should identify the name, position held, type of services rendered and the amount received (if any) from the foundation for each State employee so identified." To respond to this request, the survey instrument included two questions. One question requested a list of State employees who, as part of their regular institutional responsibilities, performed services for and received remuneration from the foundation in FY 1982. In responding to this question, a total of 18 persons who received some compensation from foundations during FY 1982 were identified by the public universities and four-year colleges (see Appendix F for listing of individuals). Twelve of these individuals receive compensation as director or instructor at the summer athletic camps run by the Towson State University Foundation, Inc. In only three cases did the foundation provide fifty percent or more of the State employee's salary for the year. The remaining cases were of individuals being paid by the foundation for performance of a specific service.

The second question requested a list of State employees who provided service to the foundation as part of their regular institutional responsibility that was not reimbursed by the foundation in FY 1982. The public universities and four-year colleges identified thirty-four individuals in response to this question. (See Appendix F for listing). The majority of persons reported are professional staff in the areas of development, public relations, alumni relations and institutional advancement who sometimes provide services or advise the foundations. Seven secretarial employees were included who provided occasional secretarial or clerical service to the foundations. The remaining

individuals provided assistance in such areas as fund raising, investment and other financial management or service on the foundation board. Overall it appeared that these individuals were devoting a relatively minor proportion of their time to foundation activities.

Community college employees are employees of the county rather than the State. In response to the two questions above the community colleges reported that none of their employees received compensation from foundations, but that thirty individuals contributed services. In addition to the kinds of activities described above for universities, eight of the community college presidents were identified as providing service, usually as ex officio members of the foundation board.

The response to this survey would indicate that very few State employees are providing services to foundations as part of their regular institutional responsibilities with or without remuneration.

Table 1

Assets of Existing Foundations as of June 30, 1982

University of Maryland-College Park		
1.	Business and Management Foundation, Inc.	$ 460,000
2.	Maryland Educational Foundation, Inc.	2,000,000
3.	"M" Club Foundation	344,399
4.	4H Foundation, Maryland 4H Club Foundation	432,147
University of Maryland-Baltimore City		
5.	University of Maryland at Baltimore Foundation	$ 2,862,172
6.	Trustees of the endowment Fund of the University of Maryland, Inc.	6,500,000
University of Maryland-Baltimore County		
7.	Retreiver Club Inc. of Baltimore, Maryland	$ 8,000
University of Maryland Central Administration		
8.	University of Maryland Foundation, Inc.	$11,866,903*
Bowie State College		
9.	Bowie State College Foundation, Inc.	$ 70,000
Coppin State College		
10.	Coppin State College Development Foundation, Inc.	$ 161,024
Frostburg State College		
11.	Frostburg State College Foundation, Inc.	$ 224,000
Salisbury State College		
12.	Salisbury State College Foundation	$ 150,000
Towson State University		
13.	Towson State University Foundation, Inc.	$ 3,844,737
University of Baltimore		
14.	University of Baltimore Education Foundation, Inc.	$ 2,922,665
15.	University Institutes, Inc.	1,676
16.	University Properties, Inc.	1,477,416
17.	University of Baltimore Athletic Foundation, Inc.	65,000
St. Mary's College of Maryland		
18.	St. Mary's College of Maryland Foundation, Inc.	$ 531,469

*December, 1982.

Table 1 (continued)
Assets of Existing Foundations as of June 30, 1982

Morgan State University		
19. Morgan State University Foundation, Inc. (inactive)	$	16,000
Allegany Community College		
20. Allegany Community College Foundation, Inc.	$	0
21. Allegany Community College Athletic Foundation		849
Anne Arundel Community College		
22. Anne Arundel Community College Funds, Inc.	$	73,727
Catonsville Community College		
23. Catonsville Community College, Inc.	$	44,127
Cecil Community College		
24. Cecil Community College Foundation, Inc.	$	35,085
Charles County Community College		
25. Charles Community College Foundation, Inc.	$	67,774
Chesapeake Community College		
26. Chesapeake College Foundation, Inc.	$	52,737
Dundalk Community College		
27. Dundalk Community College Foundation, Inc.	$	321
Essex Community College		
28. Essex Community College	$	4,500
Frederick Community College		
29. Frederick Community College Fund, Inc.	$	33,508
Hagerstown Junior College		
30. Hagerstown Junior College Foundation, Inc.	$	210,064
Harford Community College		
31. Harford College Educational Foundation, Inc.	$	30,000
Howard Community College		
32. Howard Community College Educational Foundation, Inc.	$	3,971
Wor-Wic Tech Community College		
33. Wor-Wic Tech Community College Foundation, Inc.	$	799

State Board for Higher Education
Survey of Foundations Associated with
Maryland's Public Higher Education Institutions

Name of Institution_____

1. Does the above named college or university have one or more associated foundations? (For the purpose of this survey, "foundation" should be interpreted as any incorporated or unincorporated association or related organizational entity which has been established for the purpose of assisting the college or university, the students, the faculty, the staff, the Alumni, and/or the community in furthering or enhancing the role of the college or university.)

   Yes_____ No_____

   A. If yes, please list below the legal/official name and address of each foundation, the date it was established, and the date of incorporation (if applicable). In addition, please provide a brief description of the foundation which includes as a minimum the primary purpose of the foundation, its assets and annual revenue. (For examples of descriptions see Appendix D of the report enclosed with this questionnaire.) Use additional pages as needed.

   B. If no, please return this survey without completing any additional items.

2. Please provide a copy of the guideline policies adopted by your institution's governing board which regulate the relationship between the institution and the foundation.

For items 3 through 6 below please complete a separate page for each foundation associated with your institution.

3. Who is responsible for monitoring institutional compliance with governing board guidelines pertaining to the foundations? How frequently are compliance reviews conducted?

4. Please indicate how often and by whom are the foundation's accounts/ records audited. Specify the date of the most recent audit?

5. Please provide a list of State employees who, as part of their regular institutional responsibilities, performed services for and received remuneration from the foundation in FY 1982. (Attach additional pages if necessary.)

Name	Position	Amount Received	Type of Service Rendered	Remarks

6. Please provide a list of State employees who provided service to the foundation as part of their regular institutional responsibility that was not reimbursed by the foundation in FY 1982.

Name	Position	Type of Service Rendered	Remarks

(Attach additional pages if necessary.)

FOUNDATION DESCRIPTIONS

UNIVERSITY OF MARYLAND CENTRAL ADMINISTRATION

University of Maryland Foundation, Inc. (1978)

The University of Maryland Foundation serves as the fundraising are for the total University. Established in 1978, the Foundation has a total of $11,866,903 in assets. UMF is an independent, nonprofit organization whose sole purpose is to raise, hold, and manage funds to support the programs and activities of the University of Maryland. In addition, the Foundation may support research work, hold and exploit patents, subsidize publications, establish fellowships, endow scholarships and other forms of student aid, and assist many other University activities.

Programs established by the University of Maryland Foundation may be administered by the appropriate University units. Examples:

1. Wye Herd Project.

2. Fairchild Scholars Program - Partnership between the University of Maryland Foundation and Fairchild Industries. This program is administered by the Chairman of the Electrical Engineering Department. Students spend 60 percent of their time working at Fairchild Industries and 40 percent of their time obtaining an M.S. in communications engineering.

3. The University of Maryland Foundation accepted a challenge grant from the National Endowment for the Humanities to raise $1.275 million in private support for the Jewish Studies program. NEH matched private dollars 1:3 . The program was completed in March, 1983 and the Jewish Studies Endowment ($1,313,000 in private dollars and $425,000 NEH matching dollars) was placed in the Common Trust of the University of Maryland for administration.

The University Research Foundation, a subsidiary of the University of Maryland Foundation, was established to administer special research projects.

UNIVERSITY OF MARYLAND-COLLEGE PARK

Business and Management Foundation, Inc. (1974)

Established at College Park in 1974, the Foundation, as reported in the audited statements of June 30, 1982, has a total of $460,000 in assets. The Foundation was established to develop strong private-sector support for the educational, research, and service programs of the College of Business and Management. The President of the Foundation is Ronald L. Olson, President of Olson Research Associates, Inc.

In 1982, for example, the Foundation contributed over $200,000 to support student scholarships, student organizations, faculty research and development, the College's research and service centers, and continuing management education programs. Net revenue for fiscal 1982 was $229,065. The Foundation's primary activity has been to provide support for the College's management education programs.

UNIVERSITY OF MARYLAND-COLLEGE PARK (continued)

Maryland Educational Foundation, Inc. (1946)

The Maryland Educational Foundation, Incorporated, was organized June 28, 1946 under the laws of the State of Maryland.

The purposes for which the Foundation was organized are to receive, provide and maintain a fund or funds and apply the income or principal thereof to promote the advancement of and diffusion of knowledge among worthy students in pursuing a higher education in the University of Maryland. The bulk of the money goes to pay room, board, tuition and fees for male and female student athletes.

Current assets are approximately $2,000,000, including approximately $1,000,000 in long term investments and insurance policies. Annual revenue is $1,500,000.

"M" Club Foundation

Founded in 1923, the Foundation is a non-profit, educational-charitable organization which provides scholarship grants to athletes at College Park in non-revenue sports sponsored by the University Athletic Council. The organization is composed of College Park alumni who won letters as students by participating in intercollegiate competitions. Assets as of June 30, 1982 were $344,399.

4H Foundation (1959) Maryland 4-H Club Foundation, Inc. (1959)

Established in 1959, the foundation has a total of $432,146.95 in assets. Predominate activities involve fundraising and promotion of the Maryland 4-H program. Acceptance of contributions from the foundation by the institution requires approval of the Director of Extension, and Board of Directors. Few written agreements exist.

UNIVERSITY OF MARYLAND-BALTIMORE CITY

University of Maryland at Baltimore Foundation, (1979)

Founded in 1979, the University of Maryland at Baltimore Foundation was organized and operates exclusively for the benefit of and to perform the charitable and educational purposes for the Professional and Graduate Schools of the University of Maryland at Baltimore, the University of Maryland Medical System, the Health Sciences Library and the Maryland Institute for Emergency Medical Services Systems. It currently has assets of $2,862,171.60, its revenues last year were $3,778,501.

UNIVERSITY OF MARYLAND-BALTIMORE CITY (continued)

Trustees of the Endowment Fund of the University of Maryland, Inc. (1893)

Established at the Baltimore City campus in 1893, the foundation has a total of $6,500,000 in assets. The Trustees manage approximately 60 funds for various professional schools utilizing all of the endowment income for the purposes for which given. The Endowment Fund does not actively solicit support. Predominant activities involve fund management with the guidance of professional investment advisors, and tending of academic scholarships, lectureships, faculty improvement activities and instructional equipment programs.

UNIVERSITY OF MARYLAND-BALTIMORE COUNTY

Retriever Club, Inc. of Baltimore, Maryland (1978)

Also known as, and incorporated under, UMBC Educational Foundation, Inc., the Retriever Club was organized to support the athletic department of the University of Maryland-Baltimore County. It sponsors a variety of social activities, the net revenues of which are used to provide scholarships and equipment. The Retriever Club contributed $8,000 to UMBC's athletic program in 1982.

BOWIE STATE COLLEGE

Bowie State College Foundation, Inc.

Established in 1971, the foundation has a total of $70,000 in assets. Predominant activities involve fund raising, faculty/staff/student facilities and services, academic and athletic scholarships, and some community services. The foundation will reimburse institutional employees for expenses which they have incurred on foundation and/or institutional business.

COPPIN STATE COLLEGE

Coppin State College Development Foundation, Inc.

The Coppin State College Development Foundation, Inc., is the main fund raising organization of Coppin State College for the receipt and management of all gifts and contributions. By way of illustration but not of limitation, the objects of this corporation shall be: to provide funds for scholarships and loans for deserving students at Coppin State College; to assist through supplying funds for the employment of faculty, lecturers, research, distinguished faculty chairs, counselors; etc.; for the purchase of books and equipment; to make donations for the construction of buildings or other permanent improvements; and generally to contribute to or make donations for any and all objects, projects, functions, services and activities carried on or sponsored by Coppin State College.

FROSTBURG STATE COLLEGE

The Frostburg State College Foundation, Inc. (1970)

Established in 1970, the Foundation has current assets totaling $224,000. Annual revenue for the year ending June 30, 1982, was approximately $155,000. The Foundation exists for the purpose of fostering, promoting and encouraging the activities and objectives of Frostburg State College. Predominant activities involve fund raising to support student financial aid, to operate various academic scholarship programs, to provide program support for various College departments, to assist a subsidiary organization called the Bobcat Club in providing support to the athletic program, and to conduct a variety of non-credit-bearing activities intended to enhance the College's ability to make its resources available to the surrounding community.

SALISBURY STATE COLLEGE

Salisbury State College Foundation, Inc. (1983)

Established in 1983, the foundation has a total of $150,000 in assets. Predominant activities involve fund raising, alumni/faculty/staff/student services, and academic and athletic scholarships. The foundation will reimburse institutional employees for expenses which they have incurred on foundation and/or institutional business.

TOWSON STATE UNIVERSITY

Towson State University Foundation, Inc.

Established in 1970, the foundation is a non-profit corporation devoted exclusively to the enhancement of Towson State University and the enrichment of its programs and life on and off campus.

Primary activities include fundraising in support of academic and athletic scholarships (the latter through an affiliate, the TSU Tiger Club), faculty development, and promotion of the growth, progress and general welfare of the university. The foundation supports and facilitates community and public service activities such as the foundation sponsored Parent Infant Center, Summer Sports Camps and Summer Theater. The Parent Infant Center demonstrates that parenting is a learned process and as such can be taught to parents. At the same time the Center provides university students of Early Childhood Education a learning laboratory. Both the Summer Sports Camps and Summer Theater serve to introduce hundreds of youngsters and their parents to Towson State University, while at the same time providing them with quality learning experiences. Other foundation activities include support for the Alumni Association, acquisition of fine arts and books, grants administration, accounting services for the Council on Economic Education in Maryland (which is headquartered at the university), administration of a group health insurance plan (for university employees whose employment status prohibits their participation in the State's program), and a variety of public relations activities related to the promotion of the university.

UNIVERSITY OF BALTIMORE

University of Baltimore Educational Foundation, Inc. (1969)

The University of Baltimore Educational Foundation, Inc. was established in 1969 to solicit and receive money or other real or personal property and to use or disburse all or any part of the same for the benefit of The University of Baltimore. Predominant activities involve fund raising, alumni/faculty/staff /student services, fine arts and book collections, faculty chairs and other faculty improvement activities, academic, athletic, and special need scholarships and community services and projects (such as the Lyric Theatre and Maryland Institute). A small discretionary fund for the President's use and reimbursement of appropriate expenses and employee salaries are allowed. The annual revenue for FY 1982 was approximately $684,000, and the total assets were $2,922,665.

University Institutes, Inc.

University Institutes, Inc. was established to develop training and service programs to the private sector for educational and charitable purposes. University Institute s annual income is approximately $3,000 and it has total assets of $1,676.

UNIVERSITY OF BALTIMORE (continued)

University Properties, Inc.

University Properties, Inc. was established to purchase, lease or otherwise hold title to real property and personal property and to function as a title holding corporation for the benefit of The University of Baltimore Educational Foundation, Inc. The annual income of University Properties is approximately $200,000. The foundation's total assets are $1,477,416.

University of Baltimore Athletic Foundation, Inc.

University of Baltimore Athletic Foundation, Inc. was established to promote and encourage the development of intercollegiate and intramural athletic programs at the University of Baltimore. Its annual income is approxmately $3,000 and it has total assets of $65,000.

ST. MARY'S COLLEGE OF MARYLAND

St. Mary's College of Maryland Foundation, Inc. (1972)

The St. Mary's College of Maryland Foundation, Inc. was established in 1972 as an independent corporation "to enhance, improve, and develop the capabilities of, and promote St. Mary's College of Maryland and to benefit that institution, its students and faculty." At present the Foundation has twenty members on its Board of Directors. Its revenues for fiscal year 1983 were $80,342.40. Its total current assets are as follows:

Assets	
Cash	$ 71,185.50
Accounts Receivable	2,109.24
Marketable Securities	62,033.00
*Art Collection	340,778.00
*Land	13,180.00
*Boats	16,915.00
Record Collection	23,043.00
*Other Property	2,225.55
Total Current Assets	$531,469.29

*Approximate value

ALLEGANY COMMUNITY COLLEGE

Allegany Community College Foundation (1982)

Allegany Community College Foundation was incorporated on February 22, 1982. The Board of directors first met on June 2, 1983 to elect officers. At this time, the Foundation has no assets. Predominant activities will involve fund raising and scholarships.

ALLEGANY COMMUNITY COLLEGE (continued)

Allegany Community College Athletic Foundation (1976)

Purpose of the Allegany Community College Athletic Foundation is to provide scholarships for student/athletes. The current assets of the foundation are $450 and the annual revenue is $8,000-$10,000.

ANNE ARUNDEL COMMUNITY COLLEGE

Anne Arundel Community College Fund, Inc. (1967)

Established in 1967, the foundation has a total of $65,000 in assets. Predominant activities involve fine arts and book collections, fund raising, and academic scholarships. Acceptance of contributions from the foundation by the college requires the President's approval.

CATONSVILLE COMMUNITY COLLEGE

Catonsville Community College Foundation, Inc. (1980)

The central purpose of the Foundation is to support and enhance the role and mission of Catonsville Community College. Through fund raising, the Foundation provides monies to the institution for the purposes of endowments, distribution of scholarships, instructional materials and equipment, real estate, buildings, staff development, and special activities for the general support of the College. Current assets as of June 30, 1983 total $60,780.78; annual revenue during this past year totaled $16,653.78.

CECIL COMMUNITY COLLEGE

Cecil Community College Foundation, Inc. (1973)

Established on April 13, 1973, the Foundation has a total of approximately $80,000 in assets.

The purpose of the Foundation is to solicit funds from the general public to be used to provide scholarship aid for students, grants to the College Library, funds for the enrichment of the College curriculum, for the further education of selected faculty members, for the introduction of new or experimental courses, and for the creation of one or more professional chairs.

Currently the Foundation is involved in a Mindpower campaign to raise $100,000 for endowed scholarships. To date, $80,000 has been raised. Scholarships are awarded by a faculty scholarship committee each semester.

CHESAPEAKE COMMUNITY COLLEGE

Chesapeake College Foundation (1977)

Established in 1977, the foundation has a total of $2,500 in assets. Predominant activities involve fund raising, alumni/faculty/staff/student services, fine arts and book collections, lecture series, instructional equipment improvement activities, real estate and building management, academic scholarships, community services, and short courses, seminars, and workshops.

DUNDALK COMMUNITY COLLEGE

Dundalk Community College Foundation, Inc. (1981)

The central purpose of the foundation is to support and enhance the role and mission of Dundalk Community College. Other purposes incude: (a) fund raising; (b) provision of monies to the institution for the distribution of scholarships; (c) sponsorship of literary/art collections, presentations, and lectures; (d) provision of supplementary funds to the institution for the purposes of endowments, insturctional materials and equipment, and special activities for the general support of the college; and administration of projects, grants, and/or contracts that are either federally or privately sponsored to enhance the mission of the foundation. Assets were $321.15 at the end of FY 1982 and revenue for the year was $109.12.

ESSEX COMMUNITY COLLEGE

Essex Community College Foundation, Inc. (1980)

Established in 1980, the foundation has a total of $4,500 is assets. The central purpose of the foundation is to support and enhance the role and mission of Essex Community College. Other purposes include: fund raising, provision of monies to the institution for the distribution of scholarships, endowments, equipment, and special activities for the general support of the college.

FREDERICK COMMUNITY COLLEGE

Frederick Community College Fund, Inc. (1981)

The Frederick Community College Fund, Inc., was founded in 1981, with its purpose to provide scholarships and to promote cultural and educational opportunities to enhance the learning and academic climate of Frederick Community College.

GARRETT COMMUNITY COLLEGE

Garrett Community College Foundation, Inc. (1982)

The GCC Foundation was founded to assist GCC in performing its community function by providing community input and funds which would not otherwise be available. The Foundation has been inactive to this date and has no assets or annual revenue at this time.

HAGERSTOWN JUNIOR COLLEGE

Hagerstown Junior College Foundation, Inc. (1968)

Established in 1968 by Board of Trustees action, the Foundation has current assets of $246,651 and an annual revenue of $26,551. The primary purpose has been to provide student scholarships based on financial need. During 1982-1983, a joint scholarship program was established in cooperation with the faculty to provide a merit scholarship for each of the county high schools. Other than student financial assistance, minimal support has been given to the campus arboretum. An annual campaign for funds is conducted.

HARFORD COMMUNITY COLLEGE

Harford County Educational Foundation, Inc. (1969)

Established in 1969, the foundation has a total of $30,000 in assets. Recent annual campaign revenues average over $4,000. Predominant activities involve fund raising and student loans. This is the only foundation listed in this study which has been directly established by the legislature. The nine directors include the County Executive, the President of the County Board of Education, and the President of Harford County Community College. While the foundation may support various other educational activities and institutions, the statute does specifically emphasize support for the College as a major factor for its existence. Acceptance of contributions from the foundation by the institution requires the approval of the President of the College. The finances of the foundation are subject to audit as the County Executive requires but no audit has been conducted to date by the County. The foundation is included in the scope of the annual independent auditor's work.

HOWARD COMMUNITY COLLEGE

Howard Community College Educational Foundation, Inc. (1978)

Established in 1978, the foundation has a total of $32,686 in assets as of March 31, 1983. The foundation is still in its beginning stages. It is identifying interested and eligible members of the local business community to join the board. Predominant activities include a performing arts series and a 10-k run. All funds raised will be donated by the foundation for scholarships, faculty development, special library collections, or equipment as determined by the board of the foundation except for normal costs of operation. The board will also designate a portion of the unrestricted funds received to establish an endowment fund to support and enhance Howard Community College.

MONTGOMERY COMMUNITY COLLEGE

Montgomery Community College Foundation (1982)

Montgomery Community College incorporated its Foundation on September 19, 1982. Its first Board of Directors has just been put in place and the Board's first orientation meeting is scheduled for October 7, 1983.

WOR-WIC TECH COMMUNITY COLLEGE

Wor-Wic Tech Community College Foundation, Inc. (1981)

The Wor-Wic Tech Community College Foundation, Inc., works to provide financial support to Wor-Wic Tech and its students. The foundation makes an appeal for financial assistance from private individuals, clubs, corporations, businesses, other foundations and any other source to obtain funds necessary to provide support to the college and students in financial need. Current assets are $460.34 and annual revenue has been less than $1,000.

APPENDIX C

POLICIES ADOPTED BY

GOVERNING BOARDS

APPENDIX C

APPROVED Aug. 20, 1982

IV - 2.00: POLICY ON THE RELATIONSHIP OF THE UNIVERSITY OF MARYLAND TO UNIVERSITY-RELATED FOUNDATIONS

(2)

The University of Maryland recognizes the importance of voluntary private support and encourages grants and contributions for the benefit of the University or for any or all of the educational and support activities that are operated by the University. Accordingly, the University wishes to encourage a broad base of support from many sources, particularly increased levels of voluntary support for the University. To achieve this goal, the University will cooperate in every way possible with the work of University-related foundations that are operated for the benefit of the University.

The University of Maryland Foundation serves as the primary vehicle for developing greater voluntary support for the total University. It was incorporated to "receive, hold, invest, manage, use, dispose of, and administer property of all kinds, whether given absolutely or in trust" for the sole benefit of the University of Maryland and its numerous educational, research, cultural, public service, and support activities.

Cooperative relationships with the University of Maryland Foundation and with other established foundations require that certain policies be followed. The ultimate authority of the Board of Regents in these relationships is its right to accept or not accept gifts and grants and its right to authorize the use of the University's proprietary interest in its official name.

The policies to be followed by all University affiliated Foundations are:

1. Each incorporated foundation shall have a Board of Directors. Members of the Board shall be chosen based on their ability to enhance solicitation and management of funds and to enlarge the base of community support for the University.

2. The Office of the Vice President for University Relations will be responsible for coordination between foundations and the University and for monitoring compliance with University policies, guidelines, and agreements governing relationships with foundations.

3. Foundations may not engage in activities that conflict with federal or State laws, rules and regulations or the role and mission of the University.

4. There must be a written agreement between a foundation and the University, signed by the foundation's chief administrative officer and the President of the University, establishing their relationship and acknowledging these applicable policies.

Such written agreements shall also specify the use of University facilities, services, employees, and other mutually supportive assistance each may provide the other.

5. To avoid possible confusion or misrepresentation to the general public, all correspondence, solications, activities and advertisements in the name of a foundation will be clearly identified as an activity of that foundation.

6. Foundations shall have a continuing responsibility to communicate fully with the University concerning all donations and to assure all donors that their contributions will be used in accordance with their legally enforceable wishes and restrictions.

7. Costs incurred by the University or a foundation as a result of providing services, resources or facilities to the other shall be reimbursed on a timely basis.

8. Foundations funds shall be kept separate from University funds. University trust funds shall not be transferred to foundations for any purpose.

9. An annual audit of foundation fiscal affairs shall be conducted by an independent certified public accountant which provides sufficient detail to allow one to ascertain the purposes of expenditures including the assurance that funds are accounted for and used in accordance with donor instructions.

10. At the time of audit, a detailed annual report of transfers of funds made to the University of Maryland shall be verified by the Auditor.

11. An annual report stating major activities, officers and employees of the foundation should be on file with the University and be available to the general public and other interested parties upon request. The University will conduct an annual review of foundation programs, plans, and accomplishments.

12. The Board of Regents delegates to the President, and his or her designee, the authority and the responsibility for the development of procedures that are essential to the continued implementation of these policies and their effective operation.

B. Foundations.

1. General.

a. The Board of Trustees encourages the establishment of private non-profit corporations as separate legal entitles, generally to be named as a university/college foundation, the prime purpose for which shall include the following:

(1) To facilitate fund-raising programs and contributions from private sources to foster and promote the general welfare of the university/college with which associated;

(2) To promote, sponsor, and implement educational, scientific charitable and cultural activities for the benefit of the university/college with which associated; and/or

(3) To accumulate and provide a fund, or funds, to be invested, and to utilize the principal and income thereof, for the granting of scholarships and/or grants, establish and maintain research projects, and otherwise engage in activities to enhance further the educational mission of the university/college with which associated.

b. Each foundation, established in accordance with the general guidelines enumerated above, shall submit to the Board of Trustees a copy of its Articles of Incorporation and By-Laws together with a copy of any amendments thereto. Such foundations shall not:

(1) Be authorized to issue capital stock;

(2) Accept research grants, Federal or other, which would result in all or any portion of such grants being subsidized through direct expenditures by the university/college with which associated, unless approved by the Board of Trustees.

2. Control and Management.

a. The management and control of each foundation, established as indicated in paragraph 1. above, shall rest with a lay Board of Directors, the members of which should receive only sufficient guidance from the university/college with which associated to ensure that the needs of the institution are met.

b. The Board of Directors of a foundation shall consist of voting members who may not be either a member of the Board of Trustees or an officer or employee of a university/college under the aegis of the Board of Trustees.

c. The name, address, and principal business occupation of each member of the Board of Directors of a foundation shall be filed with the Board of Trustees and all changes in such membership shall be promptly reported to the Board of Trustees.

d. If an officer or employee of a university/college is associated with a foundation, that person may serve only as an ex-officio non-voting member on said Board of Directors.

3. Compensation.

   a. The principal development officer and the principal business officer of a university/college may provide advisory assistance to said Board of Directors as the chief administrative officer and as treasurer respectively of a foundation.

   b. Any officer or employee of a State university/college may receive compensation from a foundation for work performed for the benefit of that foundation or the university/college with which associated with the written approval of the president of the university/college and the executive director of the Board.

   c. Any officer or employee of a State university/college may be reimbursed for bona fide expenses incurred in the performance of activities undertaken on behalf of a foundation as authorized by the Board of Directors of that foundation.

4. Relationship to a University/College

   a. The relationship which shall exist between a foundation and the university/college with which associated shall be directed towards ensuring that the general public is aware that the activities undertaken by a foundation are separate and distinct from the university/college with which associated. In furtherance of this policy:

      (1) All materials, pamphlets, brochures, letters, etc. utilized by a foundation for fund solicitation purposes shall display the logo of the foundation rather than that of the university/college with which associated.

      (2) Correspondence emanating from a foundation which requires a signature generally should bear the signature either of the chairman or other member of the Board of Directors of the foundation. Officers or employees of a university/college, except for the principal development officer or principal business officer when appropriate, shall not sign correspondence emanating from, or on behalf of, a foundation. In matters of joint concern between the foundation and the university/college with which associated or in connection with jointly sponsored activities, correspondence may be signed by the institution president acting in his capacity as a member of the Board of Directors of the foundation if so authorized by the foundation.

   b. Each institution shall maintain documentation on file clearly stipulating the services which shall be provided the foundation from the university/college with which associated. The charges for such services, and the manner of effecting reimbursement, no less frequently than each fiscal quarter, shall also be specified. A copy of such documentation shall be submitted to the Board of Trustees.

   c. No foundation shall conduct educational activities which would duplicate those functions considered to be within the usual scope and responsibility of the university/college with which associated.

5. Fiscal and Auditing Procedures.

a. To ensure uniformity in accounting and procedures, each foundation shall be encouraged to conduct its fiscal operations in such a manner that its fiscal year conforms to that of the State.

b. A university/college shall neither conduct business with nor permit its name to be utilized by the foundation with which associated unless the following guidelines and procedures are adhered to with respect to the receipt and disbursal of foundation funds and/or the maintenance of fiscal and accounting records:

(1) All gifts, grants, or funds transferred to a university/college from each foundation must be approved in accordance with the procedures outlined in Section XII, A. and in Appendix I. Care shall be exercised to ensure that university/college funds and foundations funds remain separate.

(2) Each foundation must undergo a fiscal audit of its records no less frequently than once per fiscal year performed by an independent certified public accountant. A copy of the audit report shall be forwarded to the executive director under the signature of the university/college president not later than 180 days subsequent to the close of each fiscal year. In addition to the audit report, the president will include:

(a) a complete explanation of any irregularities contained in the audit report along with corrective action taken;

(b) a list of all institution employees receiving compensation from the foundation for services rendered to the foundation, to include the amount of compensation received by the employee; and

(c) any additional information that would help the Board of Trustees understand any problems the foundation is facing and/or other facets of the foundation that might not be evident from a review of the audit report.

(3) Each Foundation shall seek prior written approval, from the university/college with which associated, prior to accepting contributions or grants for designated or restictive purposes which may subsequently affect or be administered by that institution. Such contributions or grants may not be accepted if donor instructions and/or restrictions are contrary to sound public policy or are at variance with Board of Trustees policies or procedures.

St. Mary's College of Maryland

St. Mary's City, Maryland 20686

Office of the President

Relationship Between St. Mary's College Of Maryland And Its Foundation

The St. Mary's College of Maryland Foundation was created in 1972 as an independent corporation "to enhance, improve, develop the capabilities of, and promote St. Mary's College of Maryland and to benefit that institution, its students and faculty." The following document, evolved in consultation with the Foundation's Board of Directors, sets forth the policies and guidelines adopted by the Board of Trustees of St. Mary's College of Maryland to govern the relationship between the College and the Foundation. The guidelines are developed with the aim of ensuring unity of purpose, responsiveness to institutional needs, common goals, and the avoidance of conflict with the institution's role and mission. In general terms they meet the recommendations of the task force established by the State Board for Higher Education, as well as the suggestions of the Assistant Attorney General.

Autonomy

The Foundation is an autonomous entity which exists for the principal purpose of soliciting and receiving contributions, gifts, and bequests to St. Mary's College of Maryland, managing the funds and property donated to it, and delivering to the College income and/or principal so as to benefit the institution and to improve the quality of the education it offers. The Board of Directors of the Foundation, in distributing income and/or principal, shall consult with the College Board of Trustees to determine the needs and priorities of the College. It is the responsibility of the Board of Trustees to establish policies and to determine the priorities and needs of the College. All fund-raising shall be undertaken in a manner consonant with the policies and objectives of the College.

Communication

It is essential that there be close communications between the Board of Trustees of the College and the Board of Directors of the Foundation. To this end, the By-Laws of the Foundation provide that the President of the College shall be an ex officio member of the Foundation Board of Directors; and that a minimum of two Trustees be included in the membership of the Board of the Foundation. A joint meeting of the two Boards will be held annually. In the interim, members of each Board will be welcome to attend all regular meetings of the other Board, and copies of the minutes of regular meetings shall be circulated to all members of both Boards. As necessary and desirable, periodic meetings may be arranged between the Executive Committee of the Board of Trustees and Executive Committee of the Foundation.

Contributions

The Foundation serves as the vehicle to solicit annual gifts, other funds, and gifts-in-kind for the ultimate use and benefit of the College. In making such solicitations, it will have the benefit of employing the College's name

and of making reasonable use of its personnel and facilities. The Vice President for Development will serve concurrently as the Executive Director of the Foundation. This officer will initiate annual appeals, will develop priority lists of needs under the direction of the President, and will arrange for solicitation visits by members of the Board of Directors, members of the Board of Trustees, and/or administrative officers of the College. In all such activity, the Foundation will clearly state that it is seeking gifts for the College and not for its own purposes.

Management of Funds

The Foundation will be responsible for investment, reinvestment, and the management of all funds and gifts in kind ultimately destined for the College. In discharging this responsibility, the Foundation will function in a way that is consistent with the goals and policies of the College. The Treasurer of the Foundation will seek appropriate investment advice. He is empowered to appoint an Accountant to handle the receipt and disbursement of funds and shall render quarterly reports to the President of the Foundation and to the Chairman of the Board of Trustees. Such reports need not itemize individual contributions or disbursements. The Executive Director of the Foundation will report in detail on gifts received. The Executive Director will also make sure that disbursements against budgeted items are not exceeded.

Budget

At the regular meeting in June, a budget will be discussed and adopted for the coming year. Apart from funds needed to maintain the Foundation, the budget will include funds to be transferred to the College for various purposes. The President of the College, with the approval of the Board of Trustees, will submit a budget request for consideration by the Directors of the Foundation. As then adopted by the Foundation Board of Directors, the budget will include sums designated for specific purposes at the College, including entertainment allowances for the principal administrative officers.

Disbursements

Each segment of the budget will be assigned to an individual, and that individual will be responsible to approve bills for payment by the Accountant. All requests for payment shall be routed through the Executive Director and forwarded to the Foundation Accountant for disbursement. If the Accountant should have reason to question any prospective disbursement, it should be brought to the attention of the Executive Director, who may, in turn, question the party seeking payment. The Accountant also will be responsible to report to the Executive Director overexpenditures in any specific budget item. All deposits to Foundation accounts shall be made through the Executive Director.

Audit

An annual audit of the Foundation's fiscal affairs is to be conducted by an independent certified public accountant in sufficient detail to assure both the College and the Foundation that funds are accounted for and used in accordance with donor instructions. The audit report also should contain a management letter which specifically addresses the operating procedures of the Foundation and recommends any corrective action necessary to ensure fiscal propriety and efficiency. A condition for the College to accept funds from the Foundation shall be a detailed annual report of expenditures made over the preceding fiscal year, which has been verified by the Foundation's independent audit. The Foundation will adopt the same fiscal year as the College and will employ accepted accounting principles and practices. A copy of the audit shall be sent to the College Board of Trustees.

General Considerations

The Foundation shall have the power to establish criteria consistent with College policy for the acceptance of gifts, especially those restricted by the donor as to ultimate use. In the event of uncertainty as to the appropriateness of receiving any gifts, the Foundation may seek the advice of the President of the College and/or its Board of Trustees.

To avoid possible confusion and misconception on the part of the general public, the Board of Trustees of the College will ensure that all correspondence, solicitation activities, and advertisements concerning the Foundation are readily identified as being from the Foundation.

The Board of Trustees will ensure that the institution does not use Foundation funds for the purpose of circumventing State policies or rules and regulations by engaging in activities or making expenditures which have been denied the institution for other than purely financial reasons.

Promulgation and Amendments

This document governing the relationship between the College and the Foundation shall be supplied to all members of each governing Board and to the State Board for Higher Education. It may be amended at any time by the Board of Trustees of St. Mary's College of Maryland upon agreement with the Board of Directors of the Foundation. Any amendement duly adopted shall be circulated to all parties as specified above.

Adopted by the Board of Trustees, April 16, 1983
gp

POLICY GOVERNING MORGAN STATE UNIVERSITY'S RELATIONSHIP WITH AFFILIATED FOUNDATIONS

The basic purpose of a university affiliated foundation is the enhancement of the institution. Therefore, a foundation should be able to engage in any activity considered legitimate to a private corporation which does not conflict with State/Federal laws, its articles of incorporation, any applicable donor instructions, or the role/mission of the institution.

The Morgan State Board of Regents adopts the following set of guidelines governing the University's relationship with any foundation which has been or will be created to further the interest of Morgan State University.

1. Morgan State University will accept funds from its foundation(s) provided that an annual audit of the foundation's fiscal affairs is conducted by an independent certified public accountant which provides sufficient detail to allow the institution and governing board to ascertain the purposes of expenditures including the assurance that funds are accounted for and used in accordance with donor instructions. In addition, the audit report should contain a management letter which specifically addresses the operating procedures of the foundation and recommends any corrective actions necessary to ensure fiscal propriety and efficiency.

2. Morgan State University will accept funds from its foundation(s) provided that the foundation provides the institution with a detailed annual report of expenditures made to or on behalf of institutional employees which has been verified by the Foundation's independent audit. Additionally, this report stating major activities, officers and employees of the foundation will be on file with the governing board and be available to the general public and other interested parties upon request.

3. Morgan State University will accept funds from its foundation(s) provided that the foundation utilizes generally accepted accounting principles and practices; these need not be those employed by the institution.

5. A memorandum of understanding will be developed which clearly delineates the structure of the relationship as well as stresses the separate identities of the university and the foundation. This memorandum will deal with the segmental and/or institutional procedures for acceptance of contributions from the foundations, the use and reimbursement by

the foundation of institutional facilities, resources, and personnel, and the dual or supplemental employment of institutional employees by the foundation.

6. All additional costs incurred by Morgan State University as a result of providing a service, resource, or facility to the foundation must be properly reimbursed by the foundation.

7. To avoid possible confusion/misrepresentation to the general public, all correspondence, solicitations, activities and advertisements concerning the foundation must be readily identified as being from the foundation.

8. Morgan State University will not use foundation funds for the purpose of circumventing State policies or rules and regulations by engaging in activities or making expenditures which have been denied the institution for other than purely financial reasons.

9. Morgan State University Foundation should not offer degree programs, or courses for degree program credit without the approval from the State Board for Higher Education to operate as a degree-granting institution.

10. Morgan State University Foundation should not offer any postsecondary course, seminar, workshop, or similar instruction, whether or not for credit, without the approval from the SBHE to operate as a private postsecondary proprietary school.

11. The Morgan State Board of Regents will adopt any other regulations, policies, or guidelines necessary to guarantee responsiveness to institutional goals, objectives, role, mission, and needs.

12. The Morgan State Board of Regents will continually monitor its relationship with its foundation(s) to ensure compliance with the above limitations.

13. A copy of these guidelines and a listing of all associated foundations will be supplied to the SBHE along with changes as they are adopted in the future.

ment projections to be used by community colleges to prepare capital construction projects.

D. Before submitting educational specifications for new capital projects, a community college shall submit to the State Board for Community Colleges a letter of intent and program proposal for any new instructional program to be housed in the proposed facility. Proposals for new instructional programs shall be submitted in accordance with Regulation .03A.

E. For purposes of determining the statutory limit on State financial participation in community college capital construction projects, the proposed capacity of the community college in number of students shall be the approved projected 10 year full-time equivalent enrollment as adopted by the Board.

F. A community college may not enter into an agreement to sell, lease, transfer, or otherwise dispose of real property in which the State has participated without the prior approval of the State Board for Community Colleges and the subsequent approval of the Board of Public Works.

.07 Community College Boards of Trustees.

A. Each board of trustees shall forward to the State Board for Community Colleges copies of the agenda and approved minutes for each board meeting.

B. Each board of trustees shall submit to the State Board for Community Colleges for information purposes only current college policies for the employment and retention of faculty and staff.

C. Each board of trustees shall submit to the State Board for Community Colleges for information purposes only its current procedures for the evaluation of faculty and staff.

.08 Foundations.

A. A community college may participate in the establishment of a foundation or foundations associated with it for the purpose of assisting the community college to perform its mission.

B. If one or more foundations associated with a community college are established, the following provisions shall govern the community college's activities in relation to the foundation or foundations:

(1) A community college shall require as a condition of acceptance of any funds from an associated foundation that there be conducted an

annual audit of the foundation's fiscal affairs by an independent certified public accountant that provides sufficient detail to allow the institution and governing boards to ascertain the purposes of expenditures, including the assurance that funds are accounted for and used in accordance with donor instructions. In addition, the audit report shall contain a management letter which specifically addresses the operating procedures of the foundation and recommends any corrective actions necessary to ensure fiscal propriety and efficiency.

(2) A community college shall require as a condition of acceptance of any funds from an associated foundation that the foundation provide the institution with a detailed annual report of expenditures

made to or on behalf of institutional employees which has been verified by the foundation's independent audit.

(3) A community college may not accept any funds from an associated foundation unless the foundation uses generally accepted accounting principles and practices. These need not be the same as those employed by the institution.

(4) A community college shall encourage an associated foundation to use the same fiscal year as the institution.

(5) The community college shall require that an annual report stating major activities, officers, and employees of the foundation shall be on file with the community college and shall be available to the general public and other interested parties upon request.

(6) Since the basic purpose of a foundation is the enhancement of the institution, a foundation may engage in any activity considered legitimate to a private corporation which does not conflict with law, its articles of incorporation, any applicable donor instructions, or the mission of the institution. The board of trustees and the college shall monitor their relationship with an associated foundation to ensure compliance with the above limitations.

(7) The board of trustees shall develop and adopt specific regulations which deal with the relationship between the board, the institution, and the foundation. In addition, these regulations shall be further supported by written agreements which are necessary to clearly delineate the structure of the relationship as well as stress the separate identities of institution and foundation. These regulations and agreements shall deal with procedures for acceptance of contributions from the foundations, the use and reimbursement by the foundation of institutional facilities, resources, and personnel, and the dual or supplemental employment of institutional employees by the foundation.

(8) The board of trustees shall ensure that all additional costs incurred by an institution as a result of providing a service, resources, or facility to the foundation be properly reimbursed by the foundation.

(9) To avoid possible confusion or misrepresentation to the general public, the board of trustees and the institution shall ensure that all correspondence, solicitations, activities, and advertisements concerning the foundation are readily identified as being from the foundation.

(10) The board of trustees shall ensure that the institution does not use foundation funds for the purpose of circumventing State policies or rules and regulations by engaging in activities or making expenditures which have been denied the institution for other than purely financial reasons.

(11) In addition to the above provisions, the board of trustees and institutions may adopt any other regulations, policies, or guidelines necessary to guarantee the foundation's responsiveness to the institutional mission and the needs of the institution.

C. A copy of the regulations adopted by each board of trustees and a listing of all associated foundations shall be supplied to the State Board for Community Colleges along with any changes as they are adopted.

.09 Tuition Waiver for Faculty, Staff, and Dependents.

A. If permitted by policy of the board of trustees, a full time faculty or staff member, or any of his or her dependents, may enroll in any class on a space-available basis without payment of tuition.

B. A board of trustees may limit the conditions under which individuals may enroll without payment of tuition or the total number of classes in which they may enroll during a term.

C. Persons who enroll without payment of tuition because of their status as employees or dependents of employees may not be counted in the computation of full-time equivalent students for purposes of State funding.

D. Persons who are full-time classified employees of the community college shall meet the conditions specified in Education Article, §16-205(a), Annotated Code of Maryland.

E. Instead of direct tuition waiver, a community college may accomplish the purposes of this regulation by tuition deferment or tuition reimbursement if a person so treated is not included within the computation of full-time equivalent students for purposes of State funding.

.10 Student Residency Policy.

A. Each community college board of trustees shall adopt and publish in the college catalog a policy governing classification of students by domicile for tuition purposes.

Individuals Designated as Responsible for
Monitoring compliance with Guideline Policies

University of Maryland Foundation, Inc.
Business and Management Foundation, Inc.
Maryland Educational Foundation, Inc.
"M" Club Foundation
University of Maryland at Baltimore Foundation
Trustees of the Endowment Fund of the University of Maryland, Inc.
Retriever Club, Inc. of Baltimore, Maryland
Vice President for University Relations

Maryland 4-H Club Foundation, Inc.
Director or Extension

Bowie State College Foundation, Inc.
President and Vice President of Institutional Advancement

Coppin State College Development Foundation, Inc.
President and Vice President for Institutional Advancement

Frostburg State College Foundation, Inc.
President and Executive Director of Foundation

Salisbury State College Foundation, Inc.
Auditor

Towson State University Foundation, Inc.
Vice president for Institutional Advancement

University of Baltimore Educational Foundation, Inc.
University Institutes, Inc.
University Properties, Inc.
University of Baltimore Athletic Foundation, Inc.
President

Morgan State University Foundation, Inc.
Inactive (Director of Internal Audits when active)

St. Mary's College of Maryland Foundation, Inc.
Vice President for Development

Allegany Community College Foundation
Executive Director of Foundation and President

Allegany Community College Athletic Foundation
Financial Aid Director

Anne Arundel Community College Funds, Inc.
Dean of Administration

Catonsville Community College Foundation, Inc.
President and Executive Director of Foundation

Cecil Community College Foundation, Inc.
President

Charles County Community College Foundation, Inc.
President

Chesapeake College Foundation, Inc.
President

Dundalk Community College Foundation, Inc.
Not yet determined

Essex Community College Foundation, Inc.
Executive Director of Foundation

Frederick Community College Fund, Inc.
President and Member of Board

Garrett Community College Foundation, Inc.
Inactive

Hagerstown Junior College Foundation, Inc.
President and Two Trustees

Harford County Educational Foundation, Inc.
President

Howard Community College Educational Foundation, Inc.
President and Board

Montgomery Community College Foundation
Not yet in operation

Wor-Wic Tech Community College Foundation, Inc.
President

APPENDIX E

Status of Local Community College Board
Guideline Policy Adoptions

Institution	Guideline Status
Allegany Community College	Guidelines Adopted
Anne Arundel Community	No guidelines provided
Catonsville Community College	Guidelines Adopted
Cecil Community College	Guidelines Adopted
Charles Community College	No response
Chesapeake Community College	No guidelines provided
Community College of Baltimore	No foundation
Dundalk Community College	New foundation, not yet adopted
Essex Community College	Guidelines adopted
Frederick Community College	No guidelines provided
Garrett Community College	No policy adopted
Hagerstown Junior College	No policy adopted, State Compliance with SBCC guidelines
Harford Community College	No policy adopted, State Compliance with SBCC guidelines
Howard Community College	Guidelines adopted
Montgomery Community College	New foundation, not yet adopted
Prince George's Community College	No foundation
Wor-Wic Tech Community College	No guidelines provided

State Employees Receiving Remuneration from Foundations
During FY 1982

University of Maryland Foundation, Inc.

Patricia P. Purcell, President, UMF and Associate Vice President for Development; amount received $36,000; Chief Fundraiser for the University of Maryland. The Foundation reimbursed the University for 80 percent of the salary and benefits for Ms. Purcell.

Business and Management Foundation, Inc.

Charles Edelson, Associate Professor of Accounting, is Secretary-Treasurer of the Foundation. Professor Edelson receives no reduction in his teaching, research, and service responsibilities to the College for his work as Secretary-Treasurer. His duties as Secretary-Treasurer include maintaining the accounts of the Foundation, managing the investments, and filing annual tax returns. He receives a fee of $7,000 per year for performing these services. It should be noted that this fee is significantly less than would be required to have someone outside the University do the same job.

Maryland 4-H Club Foundation, Inc.

Amy F. Leber, Director; State employee only to the extent that the University of Maryland handles salary and benefits paid to the University through a grant from the Maryland 4-H Club Foundation; amount received $18,500.

Maryland Educational Foundation, Inc.

Thomas M. Fields, Executive Director, Maryland Educational Foundation; $18,000 and commission; Fund Raising; $9,000 in State salary from special funds (game receipts, etc.)

Towson State University Foundation, Inc.

Joseph McMullen, Athletic Director; $4,291.70; Coordinator and manager of Summer camps. Ex-officio member of the Tiger Club Board of Directors.

Phil Albert, Football Coach; $400.00; Instructor, Summer Camp.

Joe Ardolino, Assistant Athletic Director; $2,200; Director, Summer Camp.

Rich Bader, Asssitant Football Coach; $1,100.00; Instructor, Summer Camp.

Gordon Combs, Assistant Football Coach; $1,400.00; Director, Summer Camp.

Marilyn Lewis-Hoffman, Professor; $750; Consultant, Head Start Grant.

Thomas Meinhardt, Mens Tennis Coach; $500; Director, Summer Camp.

Doug Robertson, Basketball Coach; $200; Instructor, Summer Camp.

Ray Riordon, Assistant Professor, Mens Swimming Coach; $600; Instructor, Summer Camp.

Towson State University Foundation, Inc. (continued)

Carl Runk, Lacrosse Coach; $400; Instructor, Summer Camp.

Jay Stanley, Professor; $150; Instructor, Summer Camp.

Raymond Stinar, Assistant Professor; $1,200; Director, Summer Camp.

Tom Supensky, Assistant Professor; $150; Instructor, Summer Camp.

St. Mary's College of Maryland Foundation, Inc.

Brian W. Brooke, Assistant to Vice President for Development; $8,648.24; assisting in coordinating activities between the College and Foundation; although no Foundation funds were directly used in payment to State employees, the Foundation did provide the College with $8,648.24 to cover the regular salary and benefits of Brian W. Brooke for January 1, 1982 through June 30, 1982.

State Employees Providing Service to Foundations
without Remuneration during FY 1982

University of Maryland Foundation, Inc.

Robert G. Smith, Vice President for University Relations; Public Relations
Joanne W. Schram, Business Manager; Business Management
Jewel Barlow, Director of Wind Tunnel; President, University Research Foundation

Business and Management Foundation, Inc.

Dr. John J. Haslem, Professor of Finance; Service as Vice President of the Foundation in fiscal 1982. Very few duties are required of the Vice President and no renumeration was paid to Dr. Haslem. The Foundation will appoint a person outside the University to serve as Vice President in 1983 and no renumeration will be paid.

Maryland Educational Foundation, Inc.

Robert R. Ayres, Jr., Assistant Executive Director; Administrative and Fund Raising
Alex C. Isherwood, Assistant Executive Director; Administrative and Fund Raising
Dana F. Delaney, Secretary; Secretarial

University of Maryland at Baltimore Foundation, Inc.

Fred Ramsey, Director of Institutional Advancement and Executive Director; Oversight of investments
Patricia May, Secretary to Director of Institutional Advancement; limited clerical support

Trustees of the Endowment Fund of the University of Maryland, Inc.

Karl H. Weaver, M.D., President
Mark M. Applefeld, M.D., Secretary/Treasurer

Both Drs. Applefeld and Weaver contribute their services to the Trustees of the Endowment Fund on a purely voluntary basis and such services do not constitute part of their regular institutional responsibility. The time involved in their service is voluntary and minimal, and does not affect time committed to their regular institutional responsibilities.

Bowie State College Foundation, Inc.

Dr. Carolyn Eaglin, Vice President for Institutional Advancement; Advisory
Dr. Jacob Williams, Acting Vice President for Institutional Advancement; Advisory
Mr. Robert Golden, Vice President for Business and Finance; Advisory
Dr. Carolyn R. Bown, Acting Director of Development/Alumni Relations; Administrative
Mrs. Patricia Goines, Secretary; Clerical

Coppin State College Development Foundation, Inc.

Charles B. Wright, Vice President for Institutional Advancement; Managerial
Ruth R. Petty, Office Secretary; Clerical

Frostburg State College Foundation, Inc.

Dr. Nelson Guild, President; Administrative
Mr. Ron Fautz, Director of Development/Executive Director of Foundation Administrative
Chrystal Courtney, Director of Alumni; Special Events
Mary Beth Pirolozzi, Office Secretary; Secretarial and Bookkeeping

Towson State University Foundation, Inc.

John Suter, Director of Development; Assistant Treasurer; Monitors expenditures and signs checks on-site
Sarah Souris, Vice President Institution Advancement; Scholarship Endowment Vice President; overall supervision of all on-site activities
Leonard Raley, Director of Alumni Services; Program Director Alumni Endowments and Services; authorizes expenditures, monitors funds
Adele Loew, Assistant to Vice President; Assistant Secretary; maintains Records and Controls

University of Baltimore Education Foundation, Inc.

Charles Gresham, Jr., Vice President for Development; Administrative
Sheldon Caplis, Assistant Vice President for Development; fund raising
Betty Thames, Secretary; staff support

St. Mary's College of Maryland Foundation, Inc.

Robert O. C. Worcester, Vice President for Development; coordinates relationship between College and Foundation
Gordon H. Kester, Director of College Relations; Advisory, particularly in Alumni matters
Brian W. Brooke, Assistant to Vice President for Development; assisted in coordinating activities between College and Foundation (6 months)
Nancy Roberts, Secretary II; secretarial and clerical duties
Jonathan Ingersoll, Associate Professor of Art; curator of art collection